MERCY CONFERENCE AND RETREAT CENTER

FINANCIAL STATEMENTS

JUNE 30, 2018

Purk

CPAs and Business Advisors

1034 S. Brentwood Blvd.
Suite 2000
St. Louis, MO 63117
o: 314.884.4000
f: 314.884.4001
www.purkpc.com

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Purk
& Associates, P.C.
CPAs and Business Advisors

Independent Accountants' Review Report

To the Board of Directors
Mercy Conference and Retreat Center
St. Louis, Missouri

We have reviewed the accompanying financial statements of *Mercy Conference and Retreat Center* (a nonprofit organization) (the "Center"), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less is scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Purk + Associates, PC

St. Louis, MO
October 25, 2018

1034 S. Brentwood Boulevard, Suite 2000
St. Louis, MO 63117
office: 314.884.4000
fax: 314.884.4001

MERCY CONFERENCE AND RETREAT CENTER

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2018

Assets		
Current Assets		
Cash	$	27,571
Accounts receivable		26,838
Promises to give		36,850
Inventory		2,570
Prepaid expenses		3,832
Total Current Assets		97,661
Furniture and Equipment, Net		15,753
Investments at Fair Value		3,182,810
Total Assets	$	3,296,224
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	$	2,222
Due to related party		802
Accrued payroll and salary related expenses		35,589
Deferred revenue		49,101
Total Current Liabilities		87,714
Net Assets		
Unrestricted		
Undesignated		276,611
Board designated		2,885,903
Total unrestricted		3,162,514
Temporarily restricted		45,996
Total Net Assets		3,208,510
Total Liabilities and Net Assets	$	3,296,224

MERCY CONFERENCE AND RETREAT CENTER

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	Unrestricted	Temporarily Restricted	Total
Support and Revenue:			
Program services:			
Hosted conferences/retreats	$ 740,902	$ -	$ 740,902
CRM sponsored programs	49,953	-	49,953
Spiritual direction/private retreats	95,972	-	95,972
Gift shop and other	28,009	-	28,009
Less: Discounts	(43,850)	-	(43,850)
Total Program Services	870,986	-	870,986
Managed services revenue	10,350	-	10,350
Rental revenue	27,180	-	27,180
Contributions	32,306	39,700	72,006
Other grant revenue	95	-	95
In-kind service contributions	2,400	-	2,400
Donated rent revenue	375,966	-	375,966
Special events, net of expenses of $4,203	6,519	-	6,519
Release from temporary restrictions	35,515	(35,515)	-
Total Support and Revenue	1,361,317	4,185	1,365,502
Expenses:			
Program services:			
Hosted conferences/retreats	976,324	-	976,324
Spiritual, private and sponsored programs	520,010	-	520,010
Total Program Services	1,496,334	-	1,496,334
Supporting activities:			
Management and general	179,136	-	179,136
Fundraising	110,237	-	110,237
Total Supporting Activities	289,373	-	289,373
Total Expenses	1,785,707	-	1,785,707
Change in Net Assets Before Investment Income, Net	(424,390)	4,185	(420,205)
Investment Income, Net			
Interest and dividends	70,078	-	70,078
Unrealized gains on investments	(24,961)	-	(24,961)
Realized gains on investments	184,850	-	184,850
Investment fees	(15,063)	-	(15,063)
Total Investment Income, Net	214,904	-	214,904
Change in Net Assets	(209,486)	4,185	(205,301)
Net Assets, Beginning of Year	3,372,000	41,811	3,413,811
Net Assets, End of Year	$ 3,162,514	$ 45,996	$ 3,208,510

MERCY CONFERENCE AND RETREAT CENTER

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018

	Program Services			Supporting Activities		
	Hosted Conferences/ Retreats	Spiritual, Private and Sponsored Programs	Total Program Services	Management and General	Fundraising	Total
Lay salaries	$ 222,373	$ 136,147	$ 358,520	$ 58,997	$ 36,306	$ 453,823
Sisters salaries	-	69,134	69,134	-	-	69,134
Lay benefits	57,992	35,506	93,498	15,386	9,468	118,352
Sisters benefits	-	4,839	4,839	-	-	4,839
Total personnel expenses	280,365	245,626	525,991	74,383	45,774	646,148
Administrative	20,696	12,671	33,367	5,491	3,379	42,237
Chapel	2,514	1,539	4,053	667	410	5,130
Computer	10,559	6,465	17,024	2,801	1,724	21,549
CRM speaker fees	-	9,982	9,982	-	-	9,982
Depreciation	889	544	1,433	236	145	1,814
Dietary	301,121	22,665	323,786	-	-	323,786
Gift shop	653	400	1,053	173	107	1,333
Housekeeping	3,346	2,048	5,394	888	546	6,828
In-kind services	1,176	720	1,896	312	192	2,400
Insurance	9,633	5,898	15,531	2,555	1,573	19,659
Rent and purchased services	345,372	211,452	556,824	91,630	56,387	704,841
Total Functional Expenses	$ 976,324	$ 520,010	$ 1,496,334	$ 179,136	$ 110,237	$ 1,785,707

MERCY CONFERENCE AND RETREAT CENTER

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

Cash Flows From Operating Activities:		
Change in Net Assets	$	(205,301)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation		1,814
Unrealized gain on investments		24,961
Realized gains on investments		(184,850)
Change in assets and liabilities:		
Accounts receivable		27,380
Prepaid expenses		6,660
Accounts payable		(299)
Due to related party		(36,122)
Accrued payroll and salary related expenses		(2,524)
Deferred revenue		8,681
Net Cash Used In Operating Activities		(359,600)
Cash Flows from Investing Activities:		
Proceeds from sale of investments		426,000
Purchase of fixed assets		(17,567)
Purchase of investments, net		(55,015)
Net Cash Provided By Investing Activities		353,418
Net Decrease in Cash		(6,182)
Cash - Beginning of Year		33,753
Cash - End of Year	$	27,571

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Mercy Conference and Retreat Center (the "Center") is a not-for-profit organization incorporated in Missouri on June 10, 2008. Situated on a 72 acre campus in St. Louis, Missouri, the Center operates a conference and retreat facility which serves both groups and individuals, and offers a spacious setting and supportive atmosphere for professional, educational, and spiritual activities.

From 1975 to 1991, the Center was owned and operated as a division of the Sisters of Mercy of the Union-United States, St. Louis Province, and from 1991 to 2008, as a division of the Sisters of Mercy of the Americas, St. Louis Regional Community. As part of an organizational restructuring in 2008, the St. Louis Regional Community combined with other communities to form the Sisters of Mercy of the Americas South Central Community ("Sisters of Mercy"), and the Center incorporated in 2008 as a separate legal entity. The Sisters of Mercy continue to exercise control over the Center's operations under certain corporate governance powers reserved exclusively to the Sisters of Mercy under the Center's by-laws, including approval of the Center's Board of Directors.

Basis of Presentation

The accompanying financial statements of the Center have been prepared on the accrual basis of accounting.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board ("FASB") ASC 958-205, *Presentation of Financial Statements for Not-For-Profit Entities*. Under FASB ASC 958-205, the Center is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Unrestricted net assets represent those net assets that are not subject to donor-imposed stipulations. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Temporarily restricted net assets represent those net assets whose use has been limited by donor-imposed stipulations that either can be fulfilled or removed by actions of the Center pursuant to those stipulations or expire by the passage of time.

Permanently restricted net assets represent those net assets whose use has been limited by donor-imposed stipulations that must be maintained permanently by the Center. The Center has no permanently restricted net assets.

Use of Estimates

The Center uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Cash

Cash consists of a business checking account held with a national commercial bank.

Accounts Receivable

Management considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is provided. If amounts become uncollectible, they will be charged to operations when that determination is made. Bad debt expense totaled $0 for the year ended June 30, 2018.

Promises to Give

Unconditional promises to give are recognized as support in the period in which such promises are received. Conditional promises, which depend upon the specified future and uncertain events, are recognized as support when the conditions upon which they depend are substantially met. Promises to give are reported at the amount management expects to collect on balances outstanding at year end, and promises to give are expected to be collected within one year.

The Sisters of Mercy provide funding for the Center's activities. During 2018, the Sisters of Mercy notified the Center it would receive $35,000 of funding during fiscal year 2019. The Center recorded this amount as a promise to give and temporarily restricted contribution as of June 30, 2018.

Inventory

Inventory consists of gift shop merchandise recorded at cost on a first-in-first-out basis.

Furniture and Equipment

The Center capitalizes all furniture and equipment expenditures with a cost of $5,000 or more and having an estimated useful lives of more than one year. Maintenance and repairs which are not considered to extend useful lives of assets are charged to operations as incurred. Upon sale or retirement, the cost of assets and related allowances are removed from the accounts and any resulting gains or losses are included in income (expense) for the year.

Depreciation is provided by the straight-line method over the estimated useful lives of the assets which is 7 years for furniture and equipment.

Investments

Investments are reported at fair value. Gains and losses on sales of investments are determined on a specific cost identification method. Unrealized gains and losses are based on year-end reported fair values.

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

Deferred Revenue

Deferred revenue represents deposits received from groups and individuals for future conferences, retreats, or programs which are hosted or conducted by the Center, and such amounts are recorded as revenue in the period when the applicable conference, retreat, or program occurs.

Restricted and Unrestricted Support and Revenue

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. The Center reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. As permitted under FASB ASC 958-205, the Center reports temporarily restricted contributions as unrestricted support in the current year when the Center meets the donor restrictions in the same period.

Donated Services and Facilities

Contributions of donated services that create or enhance non-financial assets, or that require specialized skills, are provided by individuals possessing those skills and typically would need to be purchased, if not provided by donation, are recorded at their fair values in the period received. The Center recorded in-kind service revenue and expense of $2,400 for the year ended June 30, 2018.

The Center recognizes donated rent revenue and expense in the statement of activities for the excess of the fair value of rent over the rent amount charged and paid by the Center under the terms of its lease agreement with Sisters of Mercy. During the year ended June 30, 2018, donated rent was $375,966.

The Center receives a significant amount of donated services from unpaid volunteers who assist in fund-raising and special projects. No amounts have been recognized in the statement of activities because the criteria for recognition under FASB ASC 958-605 have not been satisfied.

Description of Program Services and Supporting Activities

The following program services and supporting activities are included in the accompanying financial statements:

Program – Includes those expenditures that enable the Center to operate its conference and retreat programs:

Hosted Conferences/Retreats – Day and overnight events held at the Center which are sponsored by independent groups (community, faith-based, and nonprofit). The Center provides housing, meals/food services, meeting rooms and conference planning services.

Spiritual, Private and Sponsored Programs – All activities sponsored by the Center, including: retreats, days of reflection, book studies, musical experiences, and spiritually based yoga classes; programs for individuals who stay for one or more days for private reflection or individually directed retreats; services of spiritual direction, healing touch, and therapeutic massage/bodywork; and gift shop and spiritual book sales.

Revenues earned from the Center's programs are reflected in the statement of activities net of the charitable, courtesy, professional and other discounts which are regularly provided to groups utilizing the Center's facilities. For the year ended June 30, 2018, these discounts totaled $43,850.

Management and General - Includes the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of the Center's program strategy; secure proper administrative functioning of the Board; and manage the financial and budgetary responsibilities of the Center.

Fundraising - Provides the structure necessary to encourage and secure private financial support from individuals, corporations, and foundations in the form of gifts, as well as through fundraising events.

Functional Expense Allocation

Expenses are charged to program services and supporting activities on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Center.

Income Taxes

The Center is recognized by the Internal Revenue Service as an exempt organization under Section 501(c)(3) of the Internal Revenue Code and classified as a public charity. Therefore, the Center is exempt from Federal and State income taxes.

Generally Accepted Accounting Principles in the United States ("U.S. GAAP") prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than not to be sustained upon examination by taxing authorities. Management believes there are no material uncertain tax positions to be accounted for in the financial statements in accordance with U.S. GAAP as of June 30, 2018.

Fair Value Measurements

Financial Accounting Standards Board ("FASB") *Accounting Standards Codification* ("ASC") 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Fair Value Measurements

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Center has the ability to access.

Level 2 Fair Value Measurements

Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Fair Value Measurements

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. See Note 2 regarding the Center's investments and the appropriate classification according to this fair value hierarchy.

The carrying amounts of cash, accounts receivable, promises to give, accounts payable, accrued payroll and salary related expenses, and deferred revenue approximate fair value due to the short period to maturity.

Recent Accounting Pronouncements

Lease Accounting and Presentation

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases (Topic 842)*. Under ASU 2016-02, a lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. When measuring assets and liabilities arising from a lease, a lessee should include payments to be made in optional periods only if the lessee is reasonably certain to exercise an option to extend the lease or not to exercise an option to terminate the lease. Similarly, optional payments to purchase the underlying asset should be included in the measurement of lease assets and lease liabilities only if the lessee is reasonably certain to exercise that purchase option.

Under ASU 2016-02, leases will continue to be differentiated between finance leases and operating leases. However, the principal difference from previous guidance is that the lease assets and lease liabilities arising from operating leases should be recognized in the statement of financial position. For finance leases, a lessee is required to do the following:

1. Recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, in the statement of financial position.
2. Recognize interest on the lease liability separately from amortization of the right-of-use asset in the statement of activities.
3. Classify repayments of the principal portion of the lease liability within financing activities and payments of interest on the lease liability and variable lease payments within operating activities in the statement of cash flows.

For operating leases, a lessee is required to do the following:

1. Recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, in the statement of financial position.
2. Recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term on a generally straight-line basis.
3. Classify all cash payments within operating activities within the statement of cash flows.

For leases with a term of twelve months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. If a lessee makes this election, it should recognize lease expense for such leases generally on a straight-line basis over the lease term.

ASU 2016-02 is effective for fiscal years beginning after December 15, 2019. Early adoption is permitted. Upon adoption, a modified retrospective approach shall be applied to all periods presented. Management is currently evaluating the impact ASU 2016-02 will have on the financial statements.

Financial Statement Presentation for Non-Profits
In August 2016, the FASB issued new guidance for the presentation of financial statements of not-for-profits to enhance the understandability of the financial statements and provide more relevant information. Under this guidance:

1. Net asset classifications will be reduced from three to two, "without donor restrictions" and "with donor restrictions," and additional disclosures of board-designated funds will be required.
2. Investment returns will be reported net of external and direct internal investment expenses, and those netted expenses will no longer require disclosure.
3. Organizations will be required to present their expenses by both their natural classification and their functional classification on the face of the statement of activities, as a separate statement, or in the notes to the financial statements. The method used to allocate costs among programs and supporting activities functions will be required to be disclosed.
4. New disclosures related to liquidity and availability of resources will be required, including qualitative information that discloses how the organization manages its liquid resources to meet its cash flow needs and quantitative information regarding the availability of financial assets to meet these needs.

This guidance is effective for fiscal years beginning after December 15, 2017; however, early adoption is permitted. This guidance is to be applied on a retrospective basis for all years presented; however, organizations will have the option to omit the analysis of expenses by both functional and natural classification and the liquidity disclosures for any years presented before the year of adoption.

Management is currently evaluating the potential impact this standard will have on the Center's financial statements.

Subsequent Events

Management has evaluated the impact on the financial statements, if any, of subsequent events through October 25, 2018, which is the date the financial statements were available to be issued.

2. INVESTMENTS, AT FAIR VALUE AND BOARD DESIGNATED ENDOWMENT

Investments at fair value consist of the following at June 30, 2018:

	Units		Amount
70/30 Sponsored Ministry Fund	755,214	$	1,419,275
60/40 Sponsored Ministry Fund	795,779		1,418,187
Dreyfus Cash Management	344,858		345,348
		$	3,182,810

The sponsored ministry funds are balanced funds which target holdings in equities and holdings in bonds and fixed income securities. Withdrawals from the investment funds are limited to $100,000 per day and require one business day's notification for each $100,000 requested. At June 30, 2018, fair value was $3,182,810 and cost was $2,908,092, resulting in a cumulative unrealized gain of $274,718.

All investments are classified within Level 2 of the fair value hierarchy as the unit values of the funds are based on the unit values calculated for the pooled funds. The calculated unit values are based on aggregation of values for the individual securities comprising the pools, which are based on quoted prices in active markets for identical or similar assets.

The Board of Directors has designated these investments as an endowment, and has adopted investment and spending policies that attempt to provide a predictable stream of funding to operations and programs while seeking to maintain the purchasing power and long-term growth of the investments. The Board restricts the use of the endowment to 7% or less of the investment balance as of April 1 each year to fund the Center's operations, unless the Board approves additional appropriations. As of April 1, 2018, the fair value of the endowment investments was $3,184,380, and therefore, the Center was limited to $222,907 for use during fiscal year 2018 for operations. However during the 2017 fiscal year, the Board approved the use of up to $750,000 for staffing and resources necessary to continue growing the ministry of which only $250,000 was transferred from the investments in fiscal year 2017, resulting in $500,000 in additional appropriations available for disbursement in 2018. During 2018, the Center transferred $426,000 of investments to cash accounts for use in operations of which $203,093 was previously reclassified as board designated in 2017. Under this spending policy, Board designated net assets represent $2,885,903 of the total investment balance of $3,182,810 as of June 30, 2018.

Changes in endowment net assets for the year ended June 30, 2018 are as follows:

Board designated endowment net assets - July 1, 2017	$	2,893,906
Investment income		214,904
Appropriation of endowment assets for expenditure		(222,907)
Board designated endowment net assets - June 30, 2018	$	2,885,903

3. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are subject to the following donor-imposed time and purpose restrictions as of June 30, 2018:

Time restricted - Sisters of Mercy	$	35,000
Purpose restricted:		
DOCFSL Fund		3,500
EAP Fund		2,500
Miriam Nolan Scholarship Fund		4,996
	$	45,996

Net assets were released from donor restrictions during fiscal year 2018 as follows:

Time restricted - Sisters of Mercy	$	35,000
Purpose restricted:		
Miriam Nolan Scholarship Fund		515
	$	35,515

4. LEASES

The Center's facilities are currently being leased from the Sisters of Mercy, a related party, under an amended and restated lease agreement dated April 27, 2018. Contractual rent expense under this operating agreement for the period ended June 30, 2018 totaled $624,006. However, of this amount, $375,966 was forgiven by the Sisters of Mercy and shown as in-kind rental contribution by the Center. This in-kind rental contribution represents the difference of the fair value of rent, as determined by an independent appraisal, and the amount charged to and paid by the Center for the year ended June 30, 2018.

Future minimum lease payments are as follows:

Fiscal Year		Market Rate Rent		Annual Forgiveness		Minimum Lease Payment
2019	$	624,000	$	(368,519)	$	255,481

5. RETIREMENT PLAN

The Center established a 403(b) retirement plan, a defined contribution plan, on November 25, 2008, covering all employees. Employees become eligible immediately upon hire. The Center matches 100% of each participant's contributions to the plan up to 3% of the participant's compensation. Employer discretionary contributions are allowed. The Center's contributions to the 403(b) plan were $13,372 during fiscal year 2018.

6. RELATED PARTIES

The Sisters of Mercy exercise control over the Center's operations under certain corporate governance powers reserved exclusively to the Sisters of Mercy under the Center's by-laws, including approval of the Center's Board of Directors. During fiscal year 2018, the Sisters of Mercy made cash contributions of $35,000 to the Center, and the Center purchased dietary and housekeeping services from the Sisters of Mercy totaling $80,835 under a Purchased Services Agreement. Outstanding amounts payable to the Sisters of Mercy totaled $802 as of June 30, 2018.

MIA-USA Fundraising, Inc. is a related party by virtue of common control. Transactions with MIA-USA Fundraising, Inc. during fiscal year 2018 consisted of managed services revenue of $10,350 and rental revenue of $27,180.

Mercy Investment Services, Inc. is a related party by virtue of common control. Transactions with Mercy Investment Services, Inc. during fiscal year 2018 consisted of investment fees expensed and paid of $15,063.

7. FURNITURE AND EQUIPMENT

Furniture and equipment consist of the following at June 30, 2018:

Furniture and equipment	$	44,086
Sub-total		44,086
Less: Accumulated depreciation		28,333
Furniture and equipment, net	$	15,753

For the year ended June 30, 2018, depreciation charged to expense totaled $1,814.